Page 1 of 5

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Mary Louise Garcin

Mary Louise Garcia

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Submitter: ACS



DALE PROPERTY SERVICES, LLC ATTN: RECORDING TEAM 500 TAYOLR ST. STE 600 FORT WORTH, TEXAS 76102

Submitter: DALE PROPERTY SERVICES, LLC

MARY LOUISE GARCIA
TARRANT COUNTY CLERK
TARRANT COUNTY COURTHOUSE
100 WEST WEATHERFORD
FORT WORTH, TX 76196-0401

DO NOT DESTROY

<u>WARNING – THIS IS PART OF THE OFFICAL RECORD</u>

ELECTONICALLY RECORDED BY ACS ERXCHANGE

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Producers 88 (4-89) — Paid Up With 640 Acres Pooling Provision STANDARD LEASE

Electronically Recorded Chesapeake Operating, Inc.

PAID UP OIL AND GAS LEASE (No Surface Use)

THIS LEASE AGREEMENT is made this $\frac{8^{TCL}}{}$ day of $\frac{MARCH}{}$, 2011, by and between \underline{G} . A. Mosites Company Of Fort Worth, Inc. address is P.O. Box 2115, Fort Worth, Tx 76113, as Lessor, and CHESAPEAKE EXPLORATION, L.L.C., an Oklahoma limited liability company, whose address is P.O. Box 18496, Oklahoma City, Oklahoma 73154-0496, as Lessee. All printed portions of this lease were prepared by the party hereinabove named as 1. In consideration of a cash bonus in hand paid and the covenants herein contained, Lessor hereby grants, leases and lets exclusively to Lessee the following described leaded promises.

3.36 ACRES OF LAND, MORE OR LESS, BEING Block 1 Lot 1-R and Block 4 Lot 1-R, OUT OF THE Coldwell Acres Addition, AN ADDITION TO THE CITY OF FORT WORTH, BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS IN THAT CERTAIN PLAT RECORDED IN VOLUME 388-122, PAGE 79 OF THE PLAT RECORDS OF TARRANT COUNTY, TEXAS. ALSO BEING DESCRIBED IN THAT WARRANTY DEED DATED JULY 1ST 1980, FROM H. DENNIS HOPKINS TO BOB JAMES AND BILLIE B. MOSITES, AND RECORDED AS INSTRUMENT NUMBER D180033543, OF THE PUBLIC DEED RECORDS OF TARRANT COUNTY, TEXAS.

in the county of TARRANT, State of TEXAS, containing 3.36 gross acres, more or less (including any interests therein which Lessor may hereafter acquire by reversion, prescription or otherwise), for the purpose of exploring for, developing, producing and marketing oil and gas, along with all hydrocarbon and non hydrocarbon substances produced in association therewith (including geophysical/seismic operations). The term "gas" as used herein includes helium, carbon dioxide and other commercial gases, as well as hydrocarbon gases. In addition to the above-described leased premises, this lease also covers accretions and any small strips or parcels of land now or hereafter owned by Lessor which are contiguous or adjacent to the above-described leased premises, and, in consideration of the aforementioned cash bonus, Lessor agrees to execute at Lessee's request any additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining the amount of any shut-in royalties hereunder, the number of gross acres above specified shall be deemed correct, whether actually more or less.

- 2. This lease, which is a "paid-up" lease requiring no rentals, shall be in force for a primary term of THREE (3) years from the date hereof, and for as long thereafter as oil or gas or other substances covered hereby are produced in paying quantities from the leased premises or from lands pooled therewith or this lease is otherwise
- maintained in effect pursuant to the provisions hereof.

 3. Royalties on oil, gas and other substances produced and saved hereunder shall be paid by Lessee to Lessor as follows: (a) For oil and other liquid hydrocarb separated at Lessee's separator facilities, the royalty shall be <u>twenty-five percent</u> (25)% of such production, to be delivered at Lessee's option to Lessor at the wellhead or to Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to purchase such production at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the nearest field in which there is such a prevailing price) for production of similar grade and gravity; (b) for gas (including casing head gas) and all other substances covered hereby, the royalty shall be twentry-five percent (25)% of the proceeds realized by Lessee from the sale thereof, less a proportionate part of ad valorem taxes and production, severance, or other excise taxes and the costs incurred by Lessee in delivering, processing or otherwise marketing such gas or other substances, provided that Lessee shall have the continuing right to purchase such production at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase contracts entered into on the same or nearest preceding date as the date on which Lessee commences its purchases hereunder; and (c) if at the end of the primary term or any time thereafter one or more wells on the leased premises or lands pooled therewith are capable of either producing oil or gas or other substances covered hereby in paying quantities or such wells are waiting on hydraulic fracture stimulation, but such well or wells are either shut-in or production there from is not being sold by Lessee, such well or wells are shut-in or production there from is not being sold by Lessees shall pay shut-in royalty of one dollar per acre then covered by this lease, such payment to be made to Lessor's credit in the depository designated below, on or before the end of said 90-day period and thereaffer on or before each anniversary of the end of said 90-day period while the well or wells are shut-in or production there from is not being sold by Lessee; provided that if this lease is otherwise being maintained by operations, or if production is being sold by Lessee from another well or wells on the leased premises or lands pooled therewith, no shut-in royalty shall render Lessee liable for the amount due, but shall n production of similar grade and gravity; (b) for gas (including casing head gas) and all other substances covered hereby, the royalty shall be twenty-five percent (25)%

- at the last aduress known to Lesse shall constitute proper payment. It the depository should liquidate or be succeeded by another institution, or for any reason fail or refuse to accept payment. Lessors shall, at Lesses's request, deliver to Lessee a proper recordable institution as depository agent to receive payments.

 5. Except as provided for in Paragraph 3. above, if Lessee drills a well which is incapable of producing in paying quantities (hereinafter called "dry hole") on the leased premises or lands pooled therewith, or if all production (whether or not in paying quantities) permanently ceases from any cause, including a revision of unit boundaries pursuant to the provisions of Paragraph 6 or the action of any governmental authority, then in the event this lease is not otherwise being maintained in force it shall revertheless remain in broce if Lessee commences operations for reworking an existing well or for drilling an additional well or for otherwise obtaining or restoring production on the leased premises or lands pooled therewith within 30 days after completion of operations on such dry on which 30 days after sound possible or which 90 days after sound possible or which 90 days after completion of a paragraph 6 days after completion of a paragraph 6 days after completion of paragraph 6 days after completion of paragraph 6 days after completion of a paragraph 6 days after completion of paragraph 6 days after completion of a paragraph 6 days after completion of a paragraph 6 days after completion of a paragraph 6 days after completion of paragraph 6 days after completion of a vell capable of producing in paying quantities on the leased premises or lands pooled therewith. After completion of a well capable of producing in paying quantities of the leased premises of lands possible producing in paying quantities from a paying quantities of the leased premises of lands and days after the p

- 7. If Lessor owns less than the full mineral estate in all or any part of the leased premises, the royalties and shut-in royalties payable hereunder for any well on any part of the leased premises or lands pooled therewith shall be reduced to the proportion that Lessor's Interest in such part of the leased premises bears to the full mineral estate in
- of the leased premises or lands pooled the rewith shall be reduced to the proposal to the proposal such part of the leased premises.

 8. The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area and/or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee or until Lessor has satisfied the notification requirements contained in Lessee's usual form of division order. In the event of the death of any person entitled to shut-in royalties are to their credit in the depository. If at any time two or more until Lessor has satisfied the notification requirements contained in Lessee's usual form of division order. In the event of the death of any person entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to the credit of decedent or decedent's estate in the depository designated above. If at any time two or more persons are entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons or to their credit in the depository, either jointly or separately in proportion to the interest which each owns. If Lessee transferrs its interest hereunder in whole or in part Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest, and failure of the transferee to satisfy such obligations with respect to the transferred interest shall not affect the rights of Lessee with respect to any interest not so transferred. If Lessee transfers a full or undivided interest in all or any portion of the area covered by this lease, the obligations to pay or tender shut-in royalties hereunder shall be divided between Lessee and the transferee in proportion to the net acreage interest in this lease then held by each. In the case of assignment or transference of this Lease by Lessee, the terms and stipulations herein shall be binding to the successor or assignee.

 9. Lessee may, at any time and from time to time, deliver to Lessor or file of record a written release of this lease as to a full or undivided interest in all or any portion of the area covered by this lease or any depths or zones there under, and shall thereupon be relieved of all obligations thereafter arising with respect to the interest so released. If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net acreage interest retained hereunder.
- in accordance with the net acreage interest retained hereunder.
- It lesses relieases all or an undivided interest in less than all of the area covered hereby, Lesses e bigilisation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net acreage interest retained hereunder.

 10. In exploring for, developing-producing and marketing oil; gas and other substances covered hereby on the leased premises or lands pooled-or unitized herewith, in primary and/or enhanced recovery, Lessee shall have the right of ingress and ogress along with the right to conduct such operations on the character of the conduction and use of trade, canale, pipelines, tanks, water wells, disposal wells, injection wells, pits, electric and telephone-lines, power stations, and other facilities deemed-necessary by Lessee to discover, produced in Lessee may use in such operations, free of cost, any oil; and/or enhanced production. Lessee may use in such operations, free of cost, any oil; and other facilities deemed-necessary by Lessee to discover, produced in Lesses of the control of the cost of

- other benefit. Such subsurface well bore easements shall run with the land and survive any termination of this lease.

 15. Lessor-hereby-warrants-and-agrees to defend title conveyed to Lessoe hereunder, and agrees that Lessee at Lessee's option may pay and discharge any taxes, mortgages or liens existing, levied or assessed on or against the leased premises. If Lessee exercises such option, Lessee shall be subrogated to the rights of the party to whom payment is made, and, in addition to its other rights, may reimburse itself out of any royalties or shut-in royalties otherwise payable to Lessor hereunder. In the event Lessee is made aware of any claim inconsistent with Lessor's title, Lessee may suspend the payment of royalties and shut-in royalties hereunder, without interest, until Lessee has been furnished satisfactory evidence that such claim has been resolved.
- 16. Notwithstanding anything contained to the contrary in this lease, Lessee shall not have any rights whatsoever to use the surface of the leased premises for drilling or
 - 17. This lease may be executed in counterparts, each of which is deemed an original and all of which only constitute one original.

See "Exhibit A" attached hereto and by reference made a part hereof.

DISCLAIMER OF REPRESENTATIONS: Lessor acknowledges that oil and gas lease payments, in the form of rental, bonns and rovaity, are market sensitive and may vary depending on multiple factors and that this Lease is the product of good faith negotiations. Lessor understands that these lease payments and terms are final and that Lessor entered into this lease without duress or nudne influence. Lessor recognizes that lease values could go up or down depending on market conditions. Lessor acknowledges that no representations or assurances were made in the negotiation of this lease that Lessor would get the highest price or different terms depending on future market conditions. Neither party to this lease will seek to alter the terms of this transaction based upon any differing terms which Lessee has or may negotiate with any other lessors/oil and gas owners.

IN WITNESS WHEREOF, this lease is executed to be effective as of the date first written above, but upon execution shall be binding on the signatory and the signatory's heirs, devisees, executors, administrators, successors and assigns, whether or not this lease has been executed by all parties hereinabove named as Lessor.

LESSOR (WHETHER ONE OR MORE)

G. A. Mosites Company Of Fort Worth, Inc.

Signature: B. Olio B. mostle

Printed Name: BILLIE B MOSITES

Title: CHAIRMAN

CORPORATE ACKNOWLEDGMENT

STATE OF LEVAS COUNTY OF LARVEAU.

G.A. M. This instrument was acknowledged before me on the 874 corporation, on day of

Mouse corporation, on behalf of said corporati

Notary Public, State of Te Notary's name (printed): Notary's commission expires: Joy Jim Grimes FOR BELLIE B. June Jim Grimes

__of MOSITES

JIMMY D. GRIMES Notary Public STATE OF TEXAS My Comm. Exp. 09/30/2012

EXHIBIT "A"

Attached to and made a part of that certain oil and gas lease dated the 8714 day of MARCH, 2011 by and between G. A. Mosites Company Of Fort Worth, Inc., as Lessor, and Chesapeake Exploration, L.L.C., as Lessee.

- 18. Lessee, its successors and assigns, shall indemnify, protect, defend and hold harmless, Lessor and its employees, guests, invitees, and any of its affiliated companies, and their partners, officers, directors, shareholders, heirs, successors, agents, and employees, from any and all costs, claims, settlements, judgments, reasonable attomeys' fees, and damages of every kind and character (including personal injury or death), which may grow out of, arise from, or in any manner be connected with the activities of Lessee and/or Lessee's agents, invitees, employees, guests and contractors, whether acting within the scope of their agreement or not, and whether negligent or not, on the leased premises or any adjacent property.
- 19. For the duration of its operations, Lessee at its sole cost and expense, shall maintain in force at all times a general liability insurance policy in an amount not less than \$2,000,000.00 combined single limit. The coverage includes both bodily injury and personal damage, insuring both Lessor and Lessee with a Certificate naming Billie B. Mosites, Cheryl A. Mosites, DuVonne C. Mosites, Cristie L. Mosites, Lori D. Mosites as additional insured. Lessee shall also carry Workers' Compensation Insurance as required by law. All above requirements may be met by a combination of self-insurance; both primary and excess policies
- After expiration of primary term, this lease may not be maintained in force solely by the payment of shut-in royalties for any period in excess of three consecutive years.
- 21. These Amendments contained herein supersede any stipulations stated in this Lease.

LESSEE:

		HESAPEAKE EXPLORATION, L.L.C., Oklahoma limited liability company Henry J. Hood Senior Vice President— Land and Legal & General Counsel
		CSIN
STATE OF OKLAHOMA) COUNTY OF OKLAHOMA)	§	
	ry J. Hood.	before me on this And day of as Senior Vice President - Land and Legal on, L.L.C. on behalf of said limited liability Notary Public

ANASTASIA SVEC

SEAL Notary Public
State of Okiahoma
Commission # 10001797 Expires 03/05/14